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November 13, 2026

Consolidated Financial Results for the Six Months Ended September 30, 2026 (Under Japanese GAAP)

Company name:	Daido Metal Co., Ltd.	
Listing:	Tokyo Stock Exchange, Nagoya Stock Exchange	
Securities code:	7245	
URL:	https://www.daidometal.com/	
Representative:	Seigo Hanji	Chairman and Chief Executive Officer
Inquiries:	Yasuhiro Okura	Senior Executive Officer and Head of Corporate Planning Division
Telephone:	+81-52-205-1400	
Scheduled date to file semi-annual securities report:		November 13, 2026
Scheduled date to commence dividend payments:		December 7, 2026
Preparation of supplementary material on financial results:		Yes
Holding of financial results briefing:		Yes (For analysts and financial institutions)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2026 (from April 1, 2026 to September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	73,258	8.4	3,893	0.0	3,476	4.9	1,755	4.4
September 30, 2025	67,596	(1.2)	3,891	43.7	3,315	26.5	1,682	218.4

Note: Comprehensive income For the six months ended September 30, 2026: ¥ 3,618 million [51.1%]
For the six months ended September 30, 2025: ¥ 2,394 million [(54.9)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	37.83	—
September 30, 2025	35.83	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2026	212,119	93,189	39.3
March 31, 2026	209,434	91,425	39.2

Reference: Equity
As of September 30, 2026: ¥ 83,442 million
As of March 31, 2026: ¥ 82,089 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	12.00	-	19.00	31.00
Fiscal year ending March 31, 2027	-	18.00			
Fiscal year ending March 31, 2027 (Forecast)			-	18.00	36.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	145,000	2.1	9,500	13.5	9,000	21.6	5,000	13.7	107.76

Note: Revisions to the financial result forecast most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - companies( )

Excluded: - companies( )

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2026	47,520,253 shares
As of March 31, 2026	47,520,253 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2026	1,487,628 shares
As of March 31, 2026	654,906 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2026	46,396,241 shares
Six months ended September 30, 2025	46,940,968 shares

(Note) The Company has introduced a performance-linked stock-based remuneration for Directors and Executive Officers. For the calculation of total number of treasury shares at the end of the period and average number of shares during the period, Company shares held in the trusts are included in treasury shares to be deducted.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Numbers in parentheses denote negative numbers.

Future prospects are prepared as information purpose only, based on the information available to us at this moment, and are under certain condition which we assumed reasonable.We will not guarantee the realization of such prospects and actual performance fluctuates due to various factors.

Semi-annual Consolidated Financial Statements and Primary Notes

(1)Semi-annual Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	29,469	27,491
Notes and accounts receivable - trade	31,213	32,355
Electronically recorded monetary claims - operating	3,497	3,134
Merchandise and finished goods	19,886	20,755
Work in process	14,357	15,817
Raw materials and supplies	11,047	11,862
Other	3,069	3,640
Allowance for doubtful accounts	(119)	(131)
Total current assets	112,422	114,926
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,571	19,567
Machinery, equipment and vehicles, net	21,717	22,106
Other, net	25,117	22,952
Total property, plant and equipment	65,405	64,626
Intangible assets		
Goodwill	2,898	2,388
Other	4,341	4,305
Total intangible assets	7,240	6,693
Investments and other assets		
Investments and other assets	24,414	25,922
Allowance for doubtful accounts	(47)	(49)
Total investments and other assets	24,366	25,872
Total non-current assets	97,012	97,192
Total assets	209,434	212,119

(Millions of yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,300	11,369
Electronically recorded obligations - operating	13,327	15,144
Short-term borrowings	27,187	27,552
Current portion of long-term borrowings	8,206	11,820
Income taxes payable	2,323	1,210
Provision for bonuses	2,051	2,200
Provision for bonuses for directors (and other officers)	138	105
Provision for product compensation	87	13
Electronically recorded obligations - non-operating	1,227	806
Other	9,484	8,697
Total current liabilities	74,335	78,922
Non-current liabilities		
Long-term borrowings	29,104	25,126
Provision for share awards	112	100
Provision for share awards for directors (and other officers)	101	113
Retirement benefit liability	7,884	8,008
Asset retirement obligations	17	17
Other	6,453	6,639
Total non-current liabilities	43,674	40,006
Total liabilities	118,009	118,929
Net assets		
Shareholders' equity		
Share capital	8,413	8,413
Capital surplus	13,112	13,112
Retained earnings	41,623	42,475
Treasury shares	(455)	(1,438)
Total shareholders' equity	62,694	62,563
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,786	2,298
Foreign currency translation adjustment	13,000	14,123
Remeasurements of defined benefit plans	4,608	4,455
Total accumulated other comprehensive income	19,395	20,878
Non-controlling interests	9,335	9,747
Total net assets	91,425	93,189
Total liabilities and net assets	209,434	212,119

(2)Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statement of Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Net sales	67,596	73,258
Cost of sales	50,814	55,371
Gross profit	16,782	17,886
Selling, general and administrative expenses	12,890	13,993
Operating profit	3,891	3,893
Non-operating income		
Interest income	201	181
Dividend income	104	111
Share of profit of entities accounted for using equity method	35	20
Other	176	260
Total non-operating income	518	574
Non-operating expenses		
Interest expenses	707	788
Foreign exchange losses	292	47
Other	94	155
Total non-operating expenses	1,094	991
Ordinary profit	3,315	3,476
Extraordinary income		
Gain on sale of investment securities	303	—
Total extraordinary income	303	—
Profit before income taxes	3,618	3,476
Income taxes - current	1,663	1,164
Income taxes - deferred	(175)	36
Total income taxes	1,487	1,200
Profit	2,130	2,275
Profit attributable to non-controlling interests	448	520
Profit attributable to owners of parent	1,682	1,755

Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Profit	2,130	2,275
Other comprehensive income		
Valuation difference on available-for-sale securities	339	416
Foreign currency translation adjustment	18	1,140
Remeasurements of defined benefit plans, net of tax	(73)	(157)
Share of other comprehensive income of entities accounted for using equity method	(20)	(56)
Total other comprehensive income	263	1,343
Comprehensive income	2,394	3,618
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,196	3,131
Comprehensive income attributable to non-controlling interests	197	487

(3)Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	3,618	3,476
Depreciation	5,064	4,651
Amortization of goodwill	413	417
Share of loss (profit) of entities accounted for using equity method	(35)	(20)
Increase (decrease) in allowance for doubtful accounts	13	11
Increase (decrease) in provision for bonuses	(52)	148
Increase (decrease) in provision for bonuses for directors (and other officers)	(50)	(33)
Increase or decrease in net defined benefit asset and liability	(317)	(476)
Increase (decrease) in provision for share awards	(11)	(11)
Increase (decrease) in provision for share awards for directors (and other officers)	9	11
Interest and dividend income	(306)	(292)
Interest expenses	707	788
Loss (gain) on sale of investment securities	(303)	—
Decrease (increase) in trade receivables	(291)	(317)
Decrease (increase) in inventories	6	(2,713)
Increase (decrease) in trade payables	(1,270)	2,623
Increase (decrease) in accrued consumption taxes	134	(9)
Increase (decrease) in other liabilities	(134)	(311)
Other, net	98	(988)
Subtotal	7,294	6,953
Interest and dividends received	310	303
Dividends received from entities accounted for using equity method	33	33
Interest paid	(682)	(777)
Income taxes paid	(1,510)	(2,270)
Net cash provided by (used in) operating activities	5,445	4,243

(Millions of yen)

	For the six months ended September 30, 2025	For the six months ended September 30, 2026
Cash flows from investing activities		
Payments into time deposits	(1,013)	(1,360)
Proceeds from withdrawal of time deposits	1,557	909
Purchase of investment securities	(119)	(6)
Proceeds from sale of investment securities	428	—
Purchase of property, plant and equipment	(4,308)	(3,946)
Proceeds from sale of property, plant and equipment	2	9
Purchase of intangible assets	(177)	(250)
Loan advances	(297)	(340)
Proceeds from collection of loans receivable	244	284
Other, net	0	(31)
Net cash provided by (used in) investing activities	(3,682)	(4,731)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,892	232
Proceeds from long-term borrowings	3,500	4,600
Repayments of long-term borrowings	(3,161)	(4,964)
Repayments of finance lease liabilities	(411)	(328)
Purchase of treasury shares	(184)	(1,000)
Proceeds from disposal of treasury shares	10	17
Dividends paid	(521)	(900)
Dividends paid to non-controlling interests	(74)	(60)
Net cash provided by (used in) financing activities	1,049	(2,403)
Effect of exchange rate change on cash and cash equivalents	(351)	529
Net increase (decrease) in cash and cash equivalents	2,461	(2,362)
Cash and cash equivalents at beginning of period	25,019	26,281
Cash and cash equivalents at end of period	27,480	23,919

(4)Notes to Semi-annual Consolidated Financial Statementer

(Notes on going concern assumption)

Not applicable

(Notes on material changes in Shareholders’ Equity)

Not applicable

(Additional Information)

(Disposal of Treasury Shares as Restricted Stock Incentive for the Employee Shareholding Association)

Daido Metal Co., Ltd. (hereinafter, the “Company”) hereby announces that it determined, by a resolution of the Board of Directors dated March 10, 2026, to dispose of treasury shares as restricted stock (the “Treasury Share Disposal” or the “Disposal”) to the Daido Metal Employee Shareholding Association (the “Shareholding Association”) as the proposed allottee under the Restricted Stock Incentive Plan for the Employee Shareholding Association (the “Plan”), as described below, and the procedures for the Treasury Share Disposal were completed on October 27, 2026.

1. Overview of the Disposal

(1) Date of disposal	October 27, 2026
(2) Class and number of shares for disposal	224,400 shares of common stock of the Company
(3) Disposal Price	1,005 yen per share
(4) Total disposal price	225,522,000 yen
(5) Method of Disposal and designated allottee	Third-party allotment (Daido Metal Employee Shareholding Association 224,400 shares)

2. Objective and Reason for the Disposal

By the resolution of the Board of Directors dated March 10, 2026, the Company determined to introduce the Plan for the Eligible Employees among the employees of the Company and its subsidiaries who are members of the Shareholding Association. The objective is to assist the Eligible Employees in building their assets, to provide the Eligible Employees with incentives to achieve the sustainable enhancement of the Company’scorporate value, and to promote further value sharing between the Eligible Employees and the Company’s shareholders by creating, through the Shareholding Association, opportunities for the Eligible Employees to acquire the Company’s common shares issued or disposed of by the Company as restricted stocks, as a measure to enhance employee benefits and welfare.

(Segment information)

[Semi-annual of previous period (from April 1, 2025 to September 30, 2025)]

① Information on sales and profit (loss) by each reporting segment

(Million yen)

	Reporting Segment					Others (*)	Total
	Powertrain business	Marine & Energy business	Life business	Frontier business	Sub total		
Net sales							
External sales	35,411	9,268	10,982	10,983	66,645	951	67,596
Internal sales or transfer between segments	248	0	153	65	467	154	622
Total	35,659	9,269	11,135	11,048	67,113	1,106	68,219
Segment profit(loss)	4,869	1,774	1,883	(603)	7,924	231	8,156

(*) “Others” includes business areas not included in above reporting segments. It includes the metallic dry bearings business, pump-related products businesses.

② Reconciliation between total reporting segment profit (loss) and profit (loss) reported in Semi-annual Consolidated Statements of Income

(Million yen)

Profit	Amount
Reporting segments total	7,924
Profit from “Others” category	231
Elimination of intersegment transactions	(8)
Unattributable costs (*)	(4,256)
Operating profit (loss) as per Semi-annual Consolidated Statements of Income	3,891

(*) Unattributable costs are principally general administrative expenses not attributable to reporting segments.

[Semi-annual of current period (from April 1, 2026 to September 30, 2026)]

① Information on sales and profit (loss) by each reporting segment

(Million yen)

	Reporting Segment					Others (*)	Total
	Powertrain business	Marine & Energy business	Life business	Frontier business	Sub total		
Net sales							
External sales	37,577	10,954	12,598	11,114	72,245	1,013	73,258
Internal sales or transfer between segments	333	34	158	87	614	139	753
Total	37,911	10,988	12,757	11,201	72,859	1,153	74,012
Segment profit(loss)	4,349	2,304	2,271	(807)	8,117	243	8,361

(*) “Others” includes business areas not included in above reporting segments. It includes the metallic dry bearings business, pump-related products businesse.

② Reconciliation between total reporting segment profit (loss) and profit (loss) reported in Semi-annual Consolidated Statements of Income

(Million yen)

Profit	Amount
Reporting segments total	8,117
Profit from “Others” category	243
Elimination of intersegment transactions	17
Unattributable costs (*)	(4,485)
Operating profit (loss) as per Semi-annualConsolidated Statements of Income	3,893

(*) Unattributable costs are principally general administrative expenses not attributable to reporting segments.